

**GOVERNMENT OF INDIA
AGRO AND RURAL INDUSTRIES
LOK SABHA**

UNSTARRED QUESTION NO:4474
ANSWERED ON:08.05.2007
DEVELOPMENT OF COIR INDUSTRIES
Siddeswara Shri Gowdar Mallikarjunappa

Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

- (a) : Whether the State Governments particularly Karnataka Government have sought financial assistance for the development of coir industries from the Union Government;
- (b) : if so, the details thereof during each of the last three years, State-wise and Union Territory wise;
- (c) the details of production of coir and coir products during each of the last three years, State-wise and Union Territory-wise;
- (d) whether the production of coir products have registered declining growth during the said period;
- (e) if so, the reasons therefor ;
- (f) the target fixed and achievement of coir and coir products made during each of the last three years State/Union Territory-wise; and
- (g) the steps taken to boost the production of coir and coir products ?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF SMALL SCALE INDUSTRIES & AGRO AND RURAL INDUSTRIES (SHRI MAHABIR PRASAD)

(a)&(b) : The Coir Board, a statutory organization set up under the Coir Industries Act, 1953, implements various schemes for the development of coir industry in coconut producing States for which annual budget allocations are provided by the Ministry of Agro and Rural Industries. State-wise details of expenditure in respect of some of these schemes are given below:

Programme 2003-04 2004-05 2005-06

Market Development
Assistance (Rs. lakh)

Karnataka	34.00	37.85	68.56
Kerala	105.00	202.15	539.45
Tamil nadu	37.00	36.03	57.88
Orissa	1.62	1.47	3.76

Assistance for
procurement of Spinning
Ratts (In Nos.)

Karnataka	-	-	728
Kerala	1019	2537	2495
Tamil Nadu	527	675	746
Andhra Pradesh	10	-	192
Orissa	-	-	59

Assistance for setting up
of new units/modernization
of existing units.(Rs. lakh)

Karnataka	9.69	22.46	101.07
Kerala	0.86	1.05	3.98
Tamil Nadu	63.51	37.44	32.84
Andhra Pradesh	- 1.50	4.00	
Orissa	1.40	- 2.68	

Assistance under the
Production Enhancement
Linked Coir Workers
Welfare Scheme (Rs. lakh)

Karnataka	- -	27.00
Kerala	- -	48.05
Tamil nadu	- -	18.00
Orissa	- -	18.00
Andhra Pradesh	- -	18.91

Further the Government of Karnataka had sent proposals to the Ministry of Commerce & Industry for financial assistance for coir cluster , Channapatna and other for Coir cluster, Hassan with the project cost of Rs. 23.27 crore and Rs. 49.65 crore in December, 2004 and January, 2005 respectively under the Industrial Infrastructure Upgradation Scheme(IIUS). The proposals were not accepted as these were not in conformity with IIUS guidelines.

(c) State/Union Territory-wise production of coir fibre during the last three years is as follows:

Production: in MTs.

State	2003-04	2004-05	2005-06
Kerala	180000	180000	184000
Tamil Nadu	10200	112200	119000
Karnataka-	36900	40900	43000
AnddhraPradesh	28900	32900	41500
Orissa	1655	1700	1900
Others	15345	17300	20600
Total	364000	385000	410000

(d) There is no declining growth in terms of coir production in terms of fibre equivalent during the last three years.

(e) Does not arise.

(f) No State-wise targets are fixed for production of coir products.The cumulative target and achievement of production of coir products, in terms of fibre, equivalent are as follows :

Year	Target (MTs)	Achievement (MTs)
------	--------------	-------------------

2003-04	410000	364000
2004-05	400000	385000
2005-06	415000	410000

(g) With a view to assisting the coir sector in increasing production of coir products, enhancing its productivity, etc., the Coir Board, has been implementing the following programmes/schemes:

For development of production infrastructure financial assistance is provided for setting up new coir units at the rate of 25 per cent of the cost of machinery, subject to a maximum of Rs.1.5 lakh.

(ii) Financial assistance for promoting domestic market for coir through publicity measures, Market Development Assistance to units in the cooperative and public sector, participation in trade fairs and exhibitions, maintenance of Coir Board Showrooms & Sales Depots to supply quality products at standard prices.

(iii) Training women artisans in spinning under the "Mahila Coir Yojana " which also provides subsidy of 75 per cent of the cost for purchase of (coir spinning) ratts.

Entrepreneur Development Programme and Quality Improvement Programme to promote enterprises and instill quality consciousness respectively.

Intensification of research and development efforts for introducing new technologies for extraction and processing of coir fibres, development of machinery, product diversifications, introduction of new products etc.